

# QUARTERLY REPORT

LICENSEE TRUMP PLAZA ASSOCIATES

FOR THE QUARTER ENDED MARCH 31, 2002

TO THE  
CASINO CONTROL COMMISSION  
OF THE  
STATE OF NEW JERSEY



**BALANCE SHEETS**

AS OF MARCH 31, 2002 AND 2001

(UNAUDITED)  
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2002 (c)	2001 (d)
	<b>ASSETS</b>		
	Current Assets:		
1	Cash and Cash Equivalents.....	\$21,262	\$21,483
2	Short-Term Investments.....	-	-
3	Receivables and Patrons' Checks (Net of Allowance for Doubtful Accounts - 2002, \$5,850; 2001, \$4,601 ).....	9,822	15,170
4	Inventories.....	1,775	1,891
5	Prepaid Expenses and Other Current Assets.....	1,915	2,053
6	Total Current Assets.....	34,774	40,597
7	Investments, Advances, and Receivables.....	10,008	7,556
8	Property and Equipment - Gross.....	641,442	624,936
9	Less: Accumulated Depreciation and Amortization.....	(243,052)	(229,863)
10	Property and Equipment - Net.....	398,390	395,073
11	Other Assets..... Note 5	15,603	16,076
12	Total Assets.....	\$458,775	\$459,302
	<b>LIABILITIES AND EQUITY</b>		
	Current Liabilities:		
13	Accounts Payable.....	\$13,719	\$14,777
14	Notes Payable.....	31	105
	Current Portion of Long-Term Debt:		
15	Due to Affiliates.....	-	-
16	Other..... Note 6	3,751	2,512
17	Income Taxes Payable and Accrued.....	-	-
18	Other Accrued Expenses.....	45,729	56,043
19	Other Current Liabilities..... Note 4	26,199	27,287
20	Total Current Liabilities.....	89,429	100,724
	Long-Term Debt:		
21	Due to Affiliates..... Note 6	400,000	400,000
22	Other..... Note 6	4,141	2,871
23	Deferred Credits.....	-	-
24	Other Liabilities..... Note 7	13,017	3,822
25	Commitments and Contingencies..... Note 8	-	-
26	Total Liabilities.....	506,587	507,417
27	Stockholders', Partners', or Proprietor's Equity.....	(47,812)	(48,115)
28	Total Liabilities and Equity.....	\$458,775	\$459,302

The accompanying notes are an integral part of the financial statements.  
Valid comparisons cannot be made without using information contained in the notes.

# STATEMENTS OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2002 AND 2001

(UNAUDITED)  
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2002 (c)	2001 (d)
	Revenue:		
1	Casino.....	\$81,501	\$80,345
2	Rooms.....	5,798	5,472
3	Food and Beverage.....	8,992	9,955
4	Other.....	1,832	2,028
5	Total Revenue.....	98,123	97,800
6	Less: Promotional Allowances..... Note 2.....	19,899	21,566 *
7	Net Revenue.....	78,224	76,234
	Costs and Expenses:		
8	Cost of Goods and Services.....	44,237	46,598
9	Selling, General, and Administrative..... Note 2.....	13,907	15,118 *
10	Provision for Doubtful Accounts.....	810	804
11	Total Costs and Expenses.....	58,954	62,520
12	Gross Operating Profit.....	19,270	13,714
13	Depreciation and Amortization.....	4,319	4,100
	Charges from Affiliates Other than Interest:		
14	Management Fees.....	-	-
15	Other..... Note 3.....	1,910	1,679
16	Income (Loss) from Operations.....	13,041	7,935
	Other Income (Expenses):		
17	Interest (Expense) - Affiliates.....	(11,572)	(11,613)
18	Interest (Expense) - External.....	(259)	(202)
19	Investment Alternative Tax and Related Income (Expense) - Net.....	(400)	(631)
20	Nonoperating Income (Expense) - Net.....	71	125
21	Total Other Income (Expenses).....	(12,160)	(12,321)
22	Income (Loss) Before Income Taxes and Extraordinary Items.....	881	(4,386)
23	Provision (Credit) for Income Taxes.....	2	2
24	Income (Loss) Before Extraordinary Items.....	879	(4,388)
	Extraordinary Items (Net of Income Taxes -		
25	20__, \$ ; 20__, \$ ).....		
26	Net Income (Loss).....	\$879	(\$4,388)

The accompanying notes are an integral part of the financial statements.  
Valid comparisons cannot be made without using information contained in the notes.

\*Amount revised to comply with current year presentation.

# STATEMENTS OF CHANGES IN PARTNERS' OR PROPRIETOR'S EQUITY

FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2001  
AND THE THREE MONTHS ENDED MARCH 31, 2002

(UNAUDITED)  
(\$ IN THOUSANDS)

Line (a)	Description (b)	Contributed Capital (c)	Accumulated Earnings (Deficit) (d)	Capital Withdrawals (e)	Total Equity (Deficit) (f)
1	Balance, December 31, 2000.....	\$204,124	(\$159,962)	(\$87,889)	(\$43,727)
2	Net Income (Loss) - 2001.....	-	(4,964)	-	(4,964)
3	Capital Contributions.....	-	-	-	-
4	Capital Withdrawals.....	-	-	-	-
5	Partnership Distributions.....	-	-	-	-
6	Prior Period Adjustments.....	-	-	-	-
7	.....				
8	.....				
9	.....				
10	Balance, December 31, 2001.....	204,124	(164,926)	(87,889)	(48,691)
11	Net Income (Loss) - 2002.....	-	879	-	879
12	Capital Contributions.....	-	-	-	-
13	Capital Withdrawals.....	-	-	-	-
14	Partnership Distributions.....	-	-	-	-
15	Prior Period Adjustments.....	-	-	-	-
16	.....				
17	.....				
18	.....				
19	Balance, March 31, 2002.....	\$204,124	(\$164,047)	(\$87,889)	(\$47,812)

The accompanying notes are an integral part of the financial statements.  
Valid comparisons cannot be made without using information contained in the notes.

**STATEMENTS OF CASH FLOWS**

FOR THE THREE MONTHS ENDED MARCH 31, 2002 AND 2001

(UNAUDITED)  
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2002 (c)	2001 (d)
1	NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$4.008	\$3.152
	CASH FLOWS FROM INVESTING ACTIVITIES:		
2	Purchase of Short-Term Investment Securities.....	-	-
3	Proceeds from the Sale of Short-Term Investment Securities.....	-	-
4	Cash Outflows for Property and Equipment.....	(862)	(260)
5	Proceeds from Disposition of Property and Equipment.....	-	-
6	Purchase of Casino Reinvestment Obligations.....	(955)	(844)
7	Purchase of Other Investments and Loans/Advances made.....	(1,600)	(1,816)
8	Proceeds from Disposal of Investments and Collection of Advances and Long-Term Receivables.....	-	-
9	Cash Outflows to Acquire Business Entities.....	-	-
10	Casino Reinvestment Obligation Donation	53	-
11	.....	-	-
12	Net Cash Provided (Used) By Investing Activities.....	(3,364)	(2,920)
	CASH FLOWS FROM FINANCING ACTIVITIES:		
13	Cash Proceeds from Issuance of Short-Term Debt.....	64	139
14	Payments to Settle Short-Term Debt.....	(1,252)	(695)
15	Cash Proceeds from Issuance of Long-Term Debt.....	-	-
16	Costs of Issuing Debt.....	-	-
17	Payments to Settle Long-Term Debt.....	-	-
18	Cash Proceeds from Issuing Stock or Capital Contributions.....	-	-
19	Purchases of Treasury Stock.....	-	-
20	Payments of Dividends or Capital Withdrawals.....	-	-
21	.....		
22	.....		
23	Net Cash Provided (Used) By Financing Activities.....	(1,188)	(556)
24	Net Increase (Decrease) in Cash and Cash Equivalents.....	(544)	(324)
25	Cash and Cash Equivalents at Beginning of Period.....	21,806	21,807
26	Cash and Cash Equivalents at End of Period.....	\$21,262	\$21,483

	CASH PAID DURING PERIOD FOR:		
27	Interest (Net of Amount Capitalized).....	\$14.763	\$7,309 *
28	Income Taxes.....	-	-

The accompanying notes are an integral part of the financial statements.  
Valid comparisons cannot be made without using information contained in the notes.  
\*Amount revised to comply with current year presentation.

# STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2002 AND 2001

(UNAUDITED)  
(\$ IN THOUSANDS)

LINE (a)	DESCRIPTION (b)	2002 (c)	2001 (d)
	<b>NET CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
29	Net Income (Loss).....	\$879	(\$4,388)
	Noncash Items Included in Income and Cash Items		
	Excluded from Income:		
30	Depreciation and Amortization of Property and Equipment.....	4,261	4,033
31	Amortization of Other Assets.....	59	67
32	Amortization of Debt Discount or Premium.....	-	-
33	Deferred Income Taxes - Current.....	-	-
34	Deferred Income Taxes - Noncurrent.....	-	-
35	(Gain) Loss on Disposition of Property and Equipment.....	-	-
36	(Gain) Loss on Casino Reinvestment Obligations.....	348	631
37	(Gain) Loss from Other Investment Activities.....	-	-
	Net (Increase) Decrease in Receivables and Patrons'		
38	Checks.....	813	(2,306)
39	Net (Increase) Decrease in Inventories.....	7	3
40	Net (Increase) Decrease in Other Current Assets.....	397	560
41	Net (Increase) Decrease in Other Assets.....	29	27
42	Net Increase (Decrease) in Accounts Payable.....	(155)	589
	Net Increase (Decrease) in Other Current Liabilities		
43	Excluding Debt.....	(2,630)	3,936
	Net Increase (Decrease) in Other Noncurrent Liabilities		
44	Excluding Debt.....	-	-
45			
46			
47	Net Cash Provided (Used) By Operating Activities.....	\$4,008	\$3,152

## SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

	<b>ACQUISITION OF PROPERTY AND EQUIPMENT:</b>		
48	Additions to Property and Equipment.....	(\$862)	(\$338)
49	Less: Capital Lease Obligations Incurred.....	0	78
50	Cash Outflows for Property and Equipment.....	(\$862)	(\$260)
	<b>ACQUISITION OF BUSINESS ENTITIES:</b>		
51	Property and Equipment Acquired.....	-	-
52	Goodwill Acquired.....	-	-
	Net Assets Acquired Other than Cash, Goodwill, and		
53	Property and Equipment.....	-	-
54	Long-Term Debt Assumed.....	-	-
55	Issuance of Stock or Capital Invested.....	-	-
56	Cash Outflows to Acquire Business Entities.....	-	-
	<b>STOCK ISSUED OR CAPITAL CONTRIBUTIONS:</b>		
57	Total Issuances of Stock or Capital Contributions.....	-	-
58	Less: Issuances to Settle Long-Term Debt.....	-	-
59	Consideration in Acquisition of Business Entities.....	-	-
60	Cash Proceeds from Issuing Stock or Capital Contributions.....	-	-

The accompanying notes are an integral part of the financial statements.  
Valid comparisons cannot be made without using information contained in the notes.

TRADING NAME OF LICENSEE TRUMP PLAZA HOTEL & CASINO

## SCHEDULE OF PROMOTIONAL EXPENSES AND ALLOWANCES

(\$ IN THOUSANDS)

FOR THE THREE MONTHS ENDED MARCH 31, 2002

Line (a)	(b)	Promotional Allowances		Promotional Expenses	
		Number of Recipients (c)	Dollar Amount (d)	Number of Recipients (e)	Dollar Amount (f)
1	Rooms	55,653	\$4,119	56	\$4
2	Food	228,773	3,843		
3	Beverage	559,388	2,238		
4	Travel			3,630	544
5	Bus Program Cash			159,925	2,351
6	Other Cash Complimentaries	398,513	9,182		
7	Entertainment	2,080	79	2,264	91
8	Retail & Non-Cash Gifts			164	21
9	Parking	16,209	194		
10	Other	24,402	244	22,549	225
11	Total	1,285,018	\$19,899	188,588	\$3,236

**TRUMP PLAZA ASSOCIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

**(1) Organization and Operations**

The accompanying financial statements include those of Trump Plaza Associates, a New Jersey general partnership ("Plaza Associates"), which owns and operates the Trump Plaza Hotel and Casino located in Atlantic City, New Jersey ("Trump Plaza").

Plaza Associates was organized in June 1982 as a general partnership under the laws of the State of New Jersey for the purpose of acquiring, completing the construction of and operating Trump Plaza.

The industry in which Trump Plaza operates is subject to intense competition and regulatory review.

The accompanying financial statements have been prepared by Plaza Associates without audit. In the opinion of Plaza Associates, all adjustments, consisting of only normal recurring adjustments, necessary to present fairly the financial position, results of operations and changes in cash flows for the period presented, have been made.

The accompanying financial statements have been prepared by Plaza Associates pursuant to the rules and regulations of the Casino Control Commission of the State of New Jersey (the "CCC"). Accordingly, certain information and note disclosures normally included in the financial statements prepared in conformity with generally accepted account principles have been omitted.

These financial statements should be read in conjunction with the financial statements and notes thereto included in Plaza Associates' quarterly report for the period ended December 31, 2001 as filed with the CCC. Certain reclassifications have been made to conform prior year financial information with the current year presentation.

Certain reclassifications have been made to prior year financial statements to conform to the current year presentation.

The casino industry in Atlantic City is seasonal in nature; accordingly, the results of operations for the three months ending March 31, 2002 are not necessarily indicative of the operating results for a full year.

**(2) Recent Accounting Pronouncements**

In January 2001, the Emerging Issues Task Force ("EITF") reached a consensus on certain issues within Issue No. 00-22, "Accounting for 'Points' and Certain Other Time-Based or Volume-Based Sales Incentive Offers, and Offers for Free Products or Services to be Delivered in the Future," ("EITF 00-22"). Application of EITF 00-22 is required for interim and annual periods ending after February 15, 2001. EITF 00-22 requires volume-based cash rebates to be classified as a reduction of revenue. Accordingly, such rebates of \$9,566,000 in the three months ended March 31, 2001 have been reclassified as promotional allowances. Plaza Associates previously classified these expenditures as Selling General and Administrative expenses. Prior period amounts have been reclassified to conform with the current presentation.



**TRUMP PLAZA ASSOCIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

**(3) Charges From Affiliates**

	<b>Three Months Ended March 31,</b>	
	<b><u>2002</u></b>	<b><u>2001</u></b>
Trump Administration allocation	<u>\$1,910,000</u>	<u>\$1,679,000</u>

Trump Administration, a separate division of Taj Mahal Associates ("Taj Associates"), was formed for the purpose of realizing cost savings and operational synergies by consolidating certain administrative functions of, and providing certain services to, Plaza Associates, Trump's Castle Associates, L.P., a New Jersey limited partnership and operator of the Trump Marina Hotel Casino in Atlantic City, New Jersey ("Castle Associates") and Taj Associates.

**(4) Other Current Liabilities**

Other current liabilities as of March 31, consisted of the following:

	<b><u>2002</u></b>	<b><u>2001</u></b>
Affiliates:		
Trump Atlantic City Associates	\$14,739,000	\$10,255,000
Trump Administration	6,033,000	6,437,000
Trump Organization	41,000	(201,000)
Trump Taj Mahal Associates	23,000	(457,000)
Trump Hotels & Casino Resorts, Inc.	(74,000)	4,380,000
Trump's Castle Associates	(80,000)	10,000
Reserve for insurance claims	2,591,000	3,577,000
Unredeemed chip/token liability	1,040,000	1,930,000
Casino reinvestment liability	1,028,000	1,023,000
Other	664,000	244,000
Patron deposits	<u>194,000</u>	<u>119,000</u>
	<u>\$26,199,000</u>	<u>\$27,287,000</u>

**(5) Other Assets**

Plaza Associates is appealing a real estate tax assessment by the City of Atlantic City. Included in Other Assets is \$8,014,000 which Plaza Associates estimates will be recoverable on the settlement of the appeal.

**TRUMP PLAZA ASSOCIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

**(6) Long-Term Debt**

Long-Term Debt - Due to Affiliates

	<b>March 31,</b>	
	<b><u>2002</u></b>	<b><u>2001</u></b>
11 ¼% Mortgage Note, interest payable semi-annually, maturing in 2006	<u>\$400,000,000</u>	<u>\$400,000,000</u>

On April 17, 1996, Trump Atlantic City Associates ("Trump AC") and Trump Atlantic City Funding, Inc. ("Trump AC Funding") issued \$1,200,000,000 of mortgage notes due 2006 (the "Mortgage Notes") and loaned \$400,000,000 of the proceeds to Plaza Associates. The proceeds were used, among other things, to redeem Trump Plaza Funding, Inc. ("TPF") 10 7/8% Partnership Notes.

Long Term Debt - Other

	<b>March 31,</b>	
	<b><u>2002</u></b>	<b><u>2001</u></b>
Mortgage Note payable in monthly installments, including interest, with an interest rate of 8.5% . The note is due in the year 2012 and is secured by certain real property.	\$1,158,000	\$1,216,000
Other notes with interest rates ranging from 6.8% to 11.25%, principal and interest payable monthly, secured by equipment.	<u>6,734,000</u>	<u>4,167,000</u>
	<u>7,892,000</u>	<u>5,383,000</u>
Less current maturities	<u>3,751,000</u>	<u>2,512,000</u>
	<u>\$4,141,000</u>	<u>\$2,871,000</u>

**7) Other Liabilities**

Other Liabilities as of March 31, consisted of the following:

	<b>March 31,</b>	
	<b><u>2002</u></b>	<b><u>2001</u></b>
CRDA Commitment	\$ 9,195,000	\$ -
Deferred Income Taxes relating to Preferred Partnership Interest	<u>3,822,000</u>	<u>3,822,000</u>
	<u>\$13,017,000</u>	<u>\$3,822,000</u>

The CRDA Commitment represents a long-term agreement with the Casino Reinvestment Development Authority for payments toward an individual Seat License for available seating in the Boardwalk Convention Center. Commitment payments are to be met with scheduled disbursements from Trump Plaza's available CRDA deposits, through the year 2012.

**TRUMP PLAZA ASSOCIATES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

**(8) Commitments and Contingencies**

Legal Proceedings

Plaza Associates, its partners and certain of its employees are involved in various legal proceedings incurred in the normal course of business. In the opinion of management of Plaza Associates, the expected disposition of these proceedings would not have a material adverse effect on Plaza Associates' financial condition or results of operations.

## STATEMENT OF CONFORMITY, ACCURACY AND COMPLIANCE

1. I have examined this Quarterly Report.
2. All the information contained in this Quarterly Report has been prepared in conformity with the Casino Control Commission's Quarterly Report Instructions and Uniform Chart of Accounts.
3. To the best of my knowledge and belief, the information contained in this report is accurate.
4. To the best of my knowledge and belief, except for the deficiencies noted below, the licensee submitting this Quarterly Report has remained in compliance with the financial stability regulations contained in N.J.A.C. 19:43-4.2(b)1-5 during the quarter.



Signature

Vice President - Finance

Title

4954-11

License Number

On behalf of:

Trump Plaza Associates

Casino Licensee